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Foreign CROPS AND MARKETS



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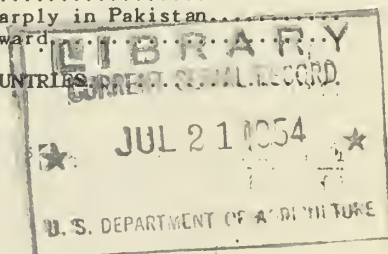
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FOREIGN CROPS AND MARKETS

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MALAYAN RICE IMPORTS
DOWN IN FIRST QUARTER

Rice imports into Malaya during the first quarter of 1954 were down sharply from the same period of 1953, according to Jack R. Johnstone, Agricultural Officer, American Consulate General, Singapore. Imports in terms of milled rice in the January-March period totaled only 58,296 long tons (2,240 pounds = 1 long ton) compared with 132,259 tons in the corresponding months of 1953. Rice was imported in both periods from Thailand, Burma, and Indochina.

MALAYA: Rice imports, in terms of milled,
January-March 1954 with comparisons

Country	:Average : : : : : January-March					
	: 1938- : 1951 : 1952 : 1953 : 1953 : 1954					
	: 1940 : : : : : :					
	: Million: Million: Million: Million: Million: Million:					
	: <u>pounds</u> : <u>pounds</u> : <u>pounds</u> : <u>pounds</u> : <u>pounds</u> : <u>pounds</u>					
	: : : : : :					
Thailand.....	: 996 : 1,020 : 926 : 857 : 222 : 116					
Burma.....	: 500 : 119 : 157 : 260 : 55 : 14					
Indochina.....	: 62 : 117 : 79 : 88 : 19 : 1					
Italy.....	: 0 : 25 : 0 : 0 : 0 : 0					
Others countries.	: 18 : 0 : 0 : 1/ : 1/ : 1/					
Total.....	: 1,576 : 1,281 : 1,162 : 1,205 : 296 : 131					

1/ Less than 500,000 pounds.

Malayan Statistics.

Reexports of rice during the first quarter 1954 amounted to 10,107 long tons, as compared with 21,146 tons during the same period of 1953. Nearly all reexports during the 2 periods were either to Indonesia or to British Borneo.

Rice stocks have been large during the first half of 1954, both in Singapore and the Federation of Malaya. Offtake of Government-ration rice has been slower than that of free-market rice, largely because of the inferior quality of rice rations. As a result of smaller offtake of Government rice, the licensing of free market imports was reduced by 75 percent. This resulted in an upswing in the free market price, which was in no way related to over-all supplies, but to the changed free market position.

Singapore merchants in recent weeks have complained that the local offtake of free market rice has been so slow that the price has dropped substantially. Good-quality Thai rice a few months ago retailed locally at around 44 Malayan cents per kati (U. S. 11 cents per pound) and up. Such rice now can be obtained for 37 per kati (9 cents per pound).

MALAYA: Rice imports and reexports, by grades,
first quarters, 1953 and 1954

Grade	January-March					
	1953			1954		
	Long tons	Million pounds	1,000 dollars	Long tons	Million pounds	1,000 dollars
IMPORTS						
Milled (whole) 1/	96,157	215.4	18,855	38,823	87.0	7,631
Milled (broken) 1/	25,334	56.8	3,710	13,533	30.3	1,599
Undermilled.....	5,143	11.5	994	393	0.9	33
Glutinous.....	5,625	12.6	1,158	5,546	12.4	891
Rice, unhusked.....	0	0	0	1	2/	3/
Total.....	132,259	296.3	24,717	58,296	130.6	10,154
REEXPORTS						
Milled (whole).....	13,122	29.4	3,256	5,343	12.0	817
Milled (broken).....	4,225	9.5	761	3,304	7.4	515
Undermilled.....	2,696	6.0	546	874	1.9	129
Glutinous.....	1,103	2.5	246	582	1.3	116
Other.....	0	0	0	4	2/	1
Total.....	21,146	47.4	4,809	10,107	22.6	1,578

1/ Whole rice is that having less than 50-percent broken; the remainder is broken rice. 2/ Less than 500,000 pounds. 3/ Less than \$500.

Malayan Statistics.

In the State of Kedah, where approximately one-third of Malaya's rice crop is produced, millers handling domestic rice entered the market for the new crop in the face of this long stock position. Accordingly, they encountered considerable difficulty in disposing of supplies. Representatives of the Kedah Rice Millers' Association have requested Federal officials to take burdensome stocks of this rice off their hands, but thus far the Government has not done so. First, it has overlong supplies of imported rice to dispose of, and second, if purchases for stockpile were to be made at a later date, the Federation Government would doubtless prefer to buy rough rice, because of its better storing qualities.

Rice producers in the Kedah area fared better than the millers, inasmuch as the bulk of the harvest took place early in the year before prices dropped significantly. Rough rice prices of M \$19 per picul (\$4.70 per 100 pounds) were not uncommon. Later in the harvesting season, however, as millers became more aware of the impending situation, prices of rough rice declined. The Government buying price of M \$17 per picul (\$4.21 per 100 pounds) is now operative for producers who bring rough rice to Government warehouses.

**REVISED ESTIMATES OF RHODESIAN
TOBACCO PRODUCTION FOR 1953-54**

The final estimate of flue-cured tobacco production in Southern Rhodesia for 1953-54 is 112.5 million pounds, an increase of 7.5 million pounds over the 105.0 million produced in 1952-53. Northern Rhodesia's flue-cured production dropped from 10.3 million pounds in 1952-53 to an estimated 8 million pounds in the 1953-54 season.

**CIGARETTE MANUFACTURE
RISES SHARPLY IN PAKISTAN**

Cigarette production in Pakistan jumped from 241 million pieces in 1949 to 4.0 billion in 1953. This resulted from a complete ban on cigarette imports and restrictions imposed on the importation of bidis from India for the past 2 years. (Bidis are cigarette-like smokes made with a little tobacco rolled in a leaf.) These actions, taken to conserve foreign exchange, left a large unfilled demand within the country.

Record production of cigarettes in 1953 was reached with the 2 existing factories working double shifts. In May 1954 a new factory began production at Chittagong capable of producing 360 million cigarettes per year. Permission has been granted to construct several new factories, but import licenses for machinery have been issued for only one plant. If all of the plants that have construction permits are built, there will be an installed capacity of about 8.4 billion cigarettes a year. Estimates of potential cigarette demand range from 7 to 10 billion per year. It would ordinarily take two or more years to complete the new plants but the cigarette shortage may speed up their construction.

The production goal for cigarettes in 1954 is 5.0 billion, which will require about 12.1 million pounds of tobacco. It is estimated that domestic leaf tobacco production will supply about 9.6 million pounds. To supplement this, imports of 2.5 million pounds of flue-cured leaf will be needed compared with the 2 million pounds imported in 1953.

**PUERTO RICO CROP
REVISED DOWNWARD**

An estimate made on April 30, 1954, placed the 1953-54 crop of tobacco in Puerto Rico at 34.1 million pounds. This compares with the January 31 estimate of 36.7 million pounds. The reduction is attributed to unfavorable weather conditions late in the growing season.

**DUTCH AGGRESSIVELY PURSUE
DAIRY OUTLETS**

During the first half of 1954 the Netherlands Government and Dutch traders in dairy products have continued to pursue aggressively the development and expansion of their export markets. Trade agreements were signed with Russia and Argentina calling for sizable exports of dairy products. Barter trade for Soviet cereal grains was encouraged by the rather pressing domestic surplus of dairy items and trade with the Soviet bloc during 1954 may surpass the expanded levels of last year.

CANADIAN LIVESTOCK AND MEAT SHIPMENTS TO U.S. CONTINUE SMALL

Canadian exports of livestock and meat to the United States continued small in the first half of 1954. During the period January 1 - June 5, 1954, for which data are available, 46,000 Canadian cattle 4,000 hogs, and 28,000 pounds of meat entered the United States.

Except for live cattle, the shipments from Canada were smaller than a year earlier, but it is difficult to make comparisons between the 2 periods. The United States border was closed to such shipments during January and February last year, because of the 1952 outbreak of foot-and-mouth disease in Canada, but the movement this year has been unrestricted. Shipments to the United States were fairly large immediately after the opening of the border on March 1, 1953.

Compared with a year ago considerably more slaughter and feeder cattle have been shipped from Canada to the United States. However, exports of dairy cows have been somewhat smaller.

Canadian shipments of livestock and meat to the
United States January 1 - June 5, 1954 com-
pared with a year earlier

	Mar. 1-June 6 1953 1/	Jan. 1-June 5 1954
	No. Head	No. Head
Live Animals		
Cattle for slaughter.....	2,916	23,244
Feeder cattle.....	349	6,355
Dairy cows.....	17,318	13,661
Calves.....	1,893	2,742
Total cattle and calves.....	22,476	46,002
Hogs.....	10,920	4,220
Sheep and lambs.....	441	288
	<u>1,000 Lbs.</u>	<u>1,000 Lbs.</u>
Meat		
Beef and Veal.....	2,325	5,342
Pork, except canned.....	18,663	16,957
Canned hams.....	8,087	4,766
Lamb and mutton.....	2/	48
Other canned meats.....	996	1,106
Total meats.....	30,071	28,219

1/ U. S. border closed to shipments during January and February due to an outbreak of foot-and-mouth disease in Canada.

2/ Less than 500 pounds.

SOURCE: Canadian Department of Agriculture.

SOUTH AFRICAN WOOL
SITUATION

The last auction sale of the 1953-54 season was held during the last week in May with relatively small stocks unsold. At the end of May stocks of wool were reported to be 2,800 bales (approximately 300 pounds per bale) that had not been offered for sale and 3,700 bales that had been offered at auction but remained unsold. At the end of May 1953 unsold stocks were reported at 1,475 bales received but not offered for sale and 7,500 bales offered at auction that remained unsold.

Wool producers have experienced an exceptionally good season as a result of favorable climatic conditions and stable prices. It now seems apparent that wool production during the 1953-54 season exceeded an earlier estimate of around 270 million pounds by at least another 8 million pounds. This represents a 20-year record in output while total receipts of about \$180 million dollars for wool were second only to the record \$255 million dollars received during the 1950-51 season.

The cumulative exports of wool from the Union of South Africa for the 11-month period ending May 31, 1954 are shown in the accompanying table. Exports were heaviest to the United Kingdom, followed in order by France, Germany, Italy and the United States.

UNION OF SOUTH AFRICA: Wool exports by country of destination,
11 months July-May, 1952-53 and 1953-54

(Greasy and scoured - actual weight)			
	: 1952-53	: 1953-54	: 1953-54 as
			: percent of
			: 1952-53
	: Mil. lbs.	: Mil. lbs.	: Percent
United Kingdom	: 61.7	: 59.9	: - 2.9
France	: 37.7	: 40.2	: + 6.6
Germany	: 33.1	: 32.7	: - 1.2
Italy	: 25.3	: 28.9	: + 14.2
United States	: 15.2	: 26.5	: + 74.3
Belgium	: 11.6	: 16.1	: + 38.8
Japan	: 14.8	: 5.0	: - 66.2
Switzerland	: 0.9	: 1.7	: + 88.9
Netherlands	: 1.7	: 1.6	: - 5.9
Portugal	: 0.6	: 1.4	: + 133.3
Others	: 4.3	: 3.4	: - 20.9
Total	: 206.9	: 217.4	: + 5.1

CATTLE PRODUCTION
IN NICARAGUA

A recently completed livestock census showed that Nicaragua had 1.2 million head of cattle. Although earlier population figures have not been considered accurate, the present number may be a new all-time high. The country has about 1 head of cattle per person.

According to local accounts, cattle were introduced into Nicaragua by the first Spanish Governor around 400 years ago, and the livestock industry soon achieved a position of importance in the life and economy of the colony. Except for a brief period following Nicaragua's declaration of independence from Spain, when almost constant civil war devastated the country and drastically reduced the livestock population, the industry continued to expand and flourish. Up to a few years ago at least, the cattle industry was considered of equal importance with the coffee industry in the internal economy of the country, because of its wide distribution and the number of people who, directly or indirectly, derive their livelihood from it.

The cattle industry offers one of the most promising fields for the expansion of agriculture in Nicaragua. Cattle are used for milk, meat and draft purposes, with little specialization for any one purpose. In recent years there has been considerable interest in improving the quality of the local livestock through the introduction of well adapted Brahman and Santa Gertrudis cattle. Better production methods have further increased the productivity of the industry.

The Nicaraguan livestock industry has not reached a point where exports have assumed much prominence. For many years cattle on the hoof have been exported in small number, principally to Honduras and Costa Rica. In some recent years small shipments of beef have been made to Cuba and Venezuela and even to the United States. Small amounts of smoked, salted and canned meats are imported regularly into Nicaragua.

Production of hogs in Nicaragua is relatively small and practically all of the pork produced is consumed locally. Sheep production is on a very limited scale.

EXPORTS OF U. S. BABY CHICKS AND EGGS TO MEXICO ARE UP

United States for the first 4 months of 1954 exported over 2 million baby chicks to Mexico compared to 1.1 million for the same period last year. Thus our baby chick exports for these 4 months average a half million per month. If this continues our exports to Mexico for 1954 should be well above 5 million baby chicks compared to 2.8 million in 1953.

Fresh eggs (in the shell) exports also were up for the first 4 months of 1954, amounting to 4.2 million dozen compared with 3.6 million dozen for the same period in 1953.

PAKISTAN IN MARKET FOR DAIRY PRODUCTS

There is a considerable shortage of dairy products in Pakistan as a result of the decline in milk production and the increased demand by civilians. As a result the Pakistanian army is seeking a new source of butter for the making of ghee and a report from Pakistan indicates that the army would import approximately 500 tons of butter a month for this purpose. Because the army has high specifications for its butter going into ghee, producers sell their product to less demanding civilians.

There is also reported a market possibility for dried whole milk. Milk consumption is low and there is no dependable milk supply for the urban population. A reconstituting plant, using nonfat dry milk solids and butter or butter oil, is also considered a possibility.

The construction of a feed mill is being considered to produce mixed feeds, particularly for poultry. If such a mill is established it will use dried milk products.

BRITISH FOOD MINISTRY RELEASES MEAT TO PRIVATE DEALERS

The British Ministry of Food has made arrangements for the sale of Ministry owned stocks of meat remaining on hand following decontrol. Such stocks, for disposal after July 3, and those becoming available through the remaining bulk contracts amount to around 880 million pounds.

A substantial initial release of meat was made July 2 to provide adequate supplies of meat during the decontrol week beginning July 4. Subsequent sales will be made to complement home production in accordance with market requirements.

Meat will be distributed to importers through the Meat Importers National Defense Association Limited, which has handled meat for the Ministry during the past 15 years of decontrol. The Ministry will sell around 550 million pounds of Government-owned meat to importers, in proportion to their volume of trade in 1938, at uniform prices to be agreed upon from time to time with their representatives. This is approximately the quantity of meat requisitioned by the Ministry at the outbreak of the war. Importers are to make distribution to wholesalers in proportion to their prewar purchases of imported supplies.

The method of disposal of the additional 330 million pounds has not been determined.

The timing of the disposition of the Government meat supplies and the sales prices to a large extent will determine meat prices in the United Kingdom during the period immediately ahead. Uncertainty as to the exact timing of the meat sales will introduce a disconcerting element in the meat trade.

It is reported that meat prices jumped substantially in the United Kingdom as prices were decontrolled. Housewives rushed to buy meat after 15 years of rationing.

THAILAND GOVERNMENT LIFTS BAN ON EXPORTS OF POULTRY AND EGG PRODUCTS

The Thai Government recently has permitted the export of poultry meat and eggs. The export of these items cannot be expected to be of much consequence but does demonstrate these goods are now being produced in exportable amounts. The exportation of chicken meat and eggs are not entirely free since export permits are necessary.

BELGIUM INCREASES COTTON IMPORTS

Imports of cotton into Belgium during March 1954 amounted to 42,000 bales (500 pounds gross), considerably higher than the 33,000 bales imported in March 1953, according to S. L. Yates, American Embassy, Brussels. Imports for the 8-month period August-March 1953-54 totaled 311,000 bales or 16 percent more than the 269,000 bales imported during the similar period of 1952-53.

Imports of United States cotton, however, were disproportionately lower this year than in 1952-53. This change and other shifts in the source of cotton imports are shown in the following figures for the 8-month period, 1952-53 quantities are in parentheses: United States 56,000 (91,000); Belgian Congo 52,000 (40,000); Mexico 49,000 (51,000); Brazil 28,000 (300); Argentina 21,000 (13,000); Peru 18,000 (18,000); Egypt 16,000 (9,000); U.S.S.R. 15,000 (none); Pakistan 12,000 (11,000); and India 2,000 (17,000)

Total cotton consumption in Belgium, including cotton consumed, destroyed, or resold, during the 3 months February 1 - April 30, 1954, amounted to 119,000 bales, compared with 102,000 for the similar quarter of 1953. United States cotton accounted for 13 percent of this usage, Belgian Congo cotton for 15 percent, and other growths for 72 percent. Cotton yarn production for March 1954 amounted to approximately 24 million pounds, increasing 21 percent over March 1953, 49 percent over March 1952.

Mill stocks of raw cotton on April 30, 1954, amounted to 123,000 bales, up about 8 percent from the stocks held on the same date of the previous year. Stocks of United States cotton on April 30, 1954, were 27,000 bales or 22 percent of the total. The tone of the cotton market has been favorable during recent weeks, and conditions in the spinning industry have improved with an increase of orders from abroad.

SLIGHT DROP IN COTTON
CONSUMPTION IN FRANCE

Consumption of 116,000 bales (500 pounds gross) of cotton in France during April 1954 represented a decline of 10 percent from the previous month's peak of 129,000 bales, according to J. E. Charlot, American Embassy, Paris. Consumption for the 9 months August-April, 1953-54 totaled 1,010,000 bales, 16 percent above the total for a similar period in 1952-53. The number of spindles in operation dropped slightly from 6.6 million in March to 6.5 million in April out of 7.7 million spindles in place. Twister activity was unchanged from March at 0.6 million out of 0.8 million in place.

Cotton stocks at the end of April had increased to 354,000 bales, slightly higher than any figure of recent years, about 2 percent above the previous month, and 4 percent above August 1, 1953.

Imports of cotton during April amounted to 127,000 bales, bringing the August-April, 1953-54 total to 1,044,000 bales as compared with 902,000 bales for the corresponding period in 1952-53. Principal sources for the 1953-54 imports were: United States 335,000 bales; Turkey, Uganda, Iran and Syria 198,000; Egypt 183,000; Brazil and Argentina 94,000; and India and Pakistan 83,000. (A statistical table showing cotton imports into France through March 1954 was published in the June 14, 1954, issue of Foreign Crops and Markets).

FATS, OILS, AND OILSEEDS: WORLD EXPORTS 1/

World exports of fats and oils in 1953 totaled an estimated 6,160,000 short tons oil equivalent. While this quantity was 7 percent greater than that exported in 1952, it was still below the postwar record volume of 1951 when large quantities were exported for stockpiling following the outbreak of war in Korea. Moreover, while 1953 exports exceeded by more than half the 1945-49 average, they were 6 percent less than prewar.

The increase in exports in 1953 from the year before was due chiefly to expanded sales of animal fats, edible vegetable oils, and industrial oils. Partially offsetting the increases in the above 3 groups, however, was the significant decline in the exports of the palm oils. The decrease in marine oil shipments was slight.

1/ A more extensive statement will soon be published as a Foreign Agriculture Circular available from the U.S. Department of Agriculture, Foreign Agricultural Service, Washington 25, D. C.

Table 1 - FATS, OILS, AND OILSEEDS: World exports, averages 1935-39 and 1945-49, annual 1951-53, and forecast 1954

(1,000 short tons)

Commodity	Total in fat or oil equivalent					
	Average		1951	1952	Estimate 1953	Forecast 1954
	1935-39	1945-49				
Edible vegetable oils:						
Cottonseed.....	190	80	110	115	130	275
Peanut.....	852	460	475	515	580	700
Soybean.....	440	135	490	315	350	375
Sunflower.....	32	75	135	45	55	35
Olive oil.....	170	50	75	80	95	85
Sesame.....	65	30	40	60	85	65
Total.....	1,749	830	1,325	1,130	1,295	1,535
Palm oils:						
Coconut.....	1,290	865	1,465	1,260	1,130	1,250
Palm kernel.....	360	310	380	395	415	415
Palm.....	535	350	520	570	600	550
Babassu kernel.....	20	18	22	2/	2/	2/
Total.....	2,205	1,543	2,387	2,225	2,145	2,215
Industrial oils:						
Linseed.....	714	280	486	226	325	600
Castor.....	101	98	120	120	130	120
Rapeseed.....	45	35	70	70	95	50
Oiticica.....	4	11	11	6	6	5
Tung.....	3/ 89	55	53	48	49	55
Perilla.....	40	2/	2/	2/	2/	2/
Total.....	993	479	740	470	605	830
Animal fats:						
Butter (fat content)....	4/ 460	5/ 315	380	370	385	400
Lard.....	180	265	390	360	290	260
Tallow and greases.....	245	170	380	520	775	675
Total.....	885	750	1,150	1,250	1,450	1,335
Marine oils:						
Whale.....	545	280	435	460	420	455
Sperm whale.....	30	40	120	85	55	60
Fish (including liver)...	135	85	135	125	190	200
Total.....	710	405	690	670	665	715
Grand total.....	6,542	4,007	6,292	5,745	6,160	6,630

1/ Revised. 2/ Less than 500 tons. 3/ 1933-37 average. 4/ 1934-38 average.
5/ 1946-49 average.

Table 2 - FATS, OILS, AND OILSEEDS: Estimated world production, averages 1935-39 and 1945-49, annual 1950-53

(1,000 short tons)

Commodity	Total in fat or oil equivalent					
	Average		1950	1951	1952	1953
	1935-39	1945-49				
Edible vegetable oils: <u>3/</u>						
Cottonseed.....	1,720:	1,345:	1,515:	1,905:	1,900:	1,970
Peanut.....	1,650:	1,860:	1,840:	1,860:	1,790:	2,075
Soybean.....	1,355:	1,605:	1,960:	1,860:	1,970:	1,940
Sunflower.....	620:	830:	900:	1,010:	935:	925
Olive.....	970:	920:	650:	1,630:	825:	1,180
Sesame.....	720:	705:	650:	735:	780:	740
Total.....	7,035:	7,265:	7,515:	9,000:	8,200:	8,830
Palm oils: <u>4/</u>						
Coconut.....	2,140:	1,630:	1,990:	2,260:	2,060:	1,980
Palm kernel.....	400:	335:	455:	415:	425:	440
Palm.....	1,090:	1,000:	1,250:	1,220:	1,270:	1,340
Babassu kernel.....	30:	45:	50:	55:	40:	45
Total.....	3,660:	3,010:	3,745:	3,950:	3,795:	3,805
Industrial oils: <u>3/</u>						
Linseed.....	1,145:	1,100:	1,150:	1,055:	1,105:	1,040
Castor bean.....	200:	210:	220:	220:	220:	236
Rapeseed.....	1,330:	1,565:	1,515:	1,650:	1,800:	1,620
Oiticica.....	10:	12:	14:	12:	8:	10
Tung.....	150:	118:	123:	128:	126:	124
Perilla seed.....	65:	5:	6:	5:	6:	5
Total.....	2,900:	3,010:	3,028:	3,070:	3,265:	3,035
Animal fats:						
Butter (fat content).....	3,980: <u>5/</u>	3,030:	3,420:	3,370:	3,330:	3,540
Lard.....	3,500:	3,070:	3,730:	4,040:	4,250:	4,020
Tallow and greases.....	1,550:	2,000:	2,330:	2,350:	2,410:	2,640
Total.....	9,030:	8,100:	9,480:	9,760:	9,990:	10,200
Marine oils:						
Whale.....	545:	280:	425:	435:	460:	420
Sperm whale.....	30:	40:	55:	120:	85:	55
Fish (including liver).....	480:	275:	380:	455:	440:	440
Total.....	1,055:	595:	860:	1,010:	985:	915
Estimated world total.....	23,680:	21,980:	24,628:	26,790:	26,235:	26,785

1/ Revised. 2/ Preliminary. 3/ In the case of vegetable oilseeds, oil production has been estimated by assuming for each of the various crops that a certain proportion was crushed for oil. The years shown refer to the years in which the seed was produced and not necessarily when the oil was extracted. 4/ Estimated on the basis of exports and the limited information available on production and consumption in the various producing areas. 5/ 1946-49 average.

Edible vegetable oils exports in 1953 are estimated at 1,295,000 tons. An increase of 15 percent from the quantity exported in 1952, this tonnage was somewhat lower than in 1951. While there was a relatively substantial increase in the export of each of the oils comprising this group, the gains were particularly pronounced for peanut and soybean oils. Greater tonnages of African peanuts were sold last year. And with sales of soybeans from the United States at record levels, exports of beans and oil from both this country and China-Manchuria were greater than in 1952.

Exports of the palm oils in 1953, estimated at 2,145,000 tons, were down 4 percent from the previous year. This decline was due to the decreased exports of copra and coconut oil, primarily from the Philippines, Indonesia and Ceylon. While exports of both palm kernel and palm oils increased from 1952, sales of babassu kernel oil from Brazil again were virtually nil.

Shipments of industrial oils in 1953 were roughly 30 percent greater than in 1952. Exports of both linseed and rapeseed oils were substantially larger than the year before, owing chiefly to larger exports of the former from Argentina and the United States and the latter from Sweden and China. Sales of castor beans and oil were also greater than a year earlier.

Animal fats exports last year totaled an estimated 1,450,000 tons. The increase from 1952 in the exports of this group, 16 percent, was due almost entirely to sharply expanded sales of tallow and greases from the United States. On the other hand, the fact that lard exports were down nearly 20 percent from the year earlier was due primarily to reduced exports from the United States where hog lard production was sharply lower. Butter exports were higher principally because of heavier shipments from Denmark, Argentina, and Australia.

World exports of marine oils in 1953 were but slightly below those of the year before. With exports of whale and sperm oils considered equivalent to production, reduced shipments of whale oil indicate the smaller Antarctic pelagic catch and yield; the decline in sperm oil output and trade reflects the relatively low prices for this oil. The more than 40-percent increase in shipments of fish oils was due mainly to expanded sales from the United States, Iceland, and the Union of South Africa.

Exports in 1954 Expected
to Exceed Prewar Average

World exports of fats, oils, and oilseeds in 1954 may establish a new postwar record. If exports should approximate the 6,630,000 tons oil equivalent tentatively forecast for the current calendar year, they will have exceeded the prewar average level by one percent. And while this export volume, if achieved, would be 8 percent greater than that of 1953, it would be 5 percent larger than the previous postwar record of 1951.

Of the 470,000-ton increase from last year's export volume forecast for 1954, half would consist of edible vegetable oils, chiefly cottonseed and peanut. An increase nearly as great is foreseen in the export of industrial oils, due largely to an abnormally heavy movement of linseed oil. With regard to exports of both cottonseed and linseed oils, United States Government sales, from its surplus holdings, at world prices--substantially below domestic prices--have been an important factor. Exports of the palm oils--because of expanded output of copra and coconut oil--are expected to increase. The movement of marine oils is expected to expand, also. However, shipments of animal fats probably will be cut back from last year owing to anticipated reductions in surplus lard supplies and reduced buying interest in inedible tallow and greases.

World Production in 1953
Equals Record Output

World production of fats, oils, and oil-bearing materials in calendar 1953 is now ^{1/} estimated at 26,785,000 short tons, oil equivalent. Essentially equal to the previous record production of 1951, this quantity was 2 percent greater than output in 1952.

With production of synthetic detergents and other non-fat substitutes gaining steadily in recent years--principally in the United States and Western Europe--the fact that output of fats and oils in 1953 virtually equaled the record of 1951 actually means that more fats and oils are available for consumption than two years ago. Moreover, the world's per capita supply of fats and oils, which on the basis of production in 1951 was restored to the prewar level for the first time since World War II, continues to be at approximately the level of prewar.

INDONESIA COPRA EXPORTS,
JANUARY-MAY 1954

Indonesia's total exports of copra, including Copra Foundation exports, during January-April 1954 amounted to 88,361 long tons net weight, according to the latest official statistics. Monthly shipments were as follows: January--20,328 tons; February--24,968; March--22,843; and April 20,222 tons. May exports, gross weight, were 36,316 tons.

The breakdown of the April 1954 copra exports by country of destination is as follows: Western Germany--7,549; the Netherlands--492; France--1,675; Sweden--1,049; Penang (Malaya)--1,440; Singapore--4,081 and Japan--3,937 tons.

These export figures represent total copra exports, including Copra Foundation exports and, therefore, are not comparable with statistics previously published which covered only exports by the Copra Foundation.

1/ NOTE: Preliminary estimates of world production, together with a brief analysis, were published by the Foreign Agricultural Service in Foreign Crops and Markets of January 25, 1954.

AUSTRALIAN WHALE OIL SOLD IN ADVANCE

The Australian Whaling Commission announced late in May that both the whale oil and by-products from the current season had been sold in advance for a total estimated return of about £A 700,000 (about \$1,575,000), reports Stephen Winship, American Consulate, Perth. Whale meal has been sold to Western Australian purchasers. The average price received for the whale oil delivered to Europe was reported as £A 96-17-6 per long ton (\$194.50 per short ton).

The West Australian whaling season opened June 1, 1954, at Albany with the capture of 2 humpback whales. The Australian Whaling Commission's station at Carnarvon was scheduled to open its season on June 8, with 3 whale catchers to take the quota of 600 humpbacks. No word had been received of operations at the Norwegian financed station on the North Coast.

The Carnarvon station will open the season with a new plant for spray-drying whale solubles for stock-feed. The new equipment was designed in Denmark, but largely fabricated on the spot at a cost of £A 50,000 (\$112,460). The dried solubles will be packed in moisture proof bags instead of the drums previously used, thus cutting shipping costs by more than half.

Total production of whale oil in Australia in 1953 was around 19,000 short tons against 17,000 tons in 1952.

ARGENTINA INCREASES OILSEED PRODUCER PRICES

The Argentine Government has announced the support prices for 1954-55-crop flaxseed, sunflower seed and corn at 75, 60 and 45 pesos per 100 kilograms, respectively. Compared with 1953-54 producer prices, oilseed prices are up 10 and 12 pesos, respectively, while the corn price remains unchanged.

At the official exchange rate of 5 pesos to \$1.00, the dollar equivalent of the new prices would be as follows with the comparable 1953-54 prices shown in parenthesis: flaxseed--\$3.81 per bushel (\$3.30); sunflower seed--5.4 cents per pound (4.4 cents); and corn--\$2.29 per bushel (\$2.29).

FRANCE MAY EXPAND OILSEED OUTPUT

France is seriously considering the desirability of expanding its production of edible oilseeds, according to Information Bulletin No. 22, June 10-21, 1954, of the French Ministry of Agriculture, reports O. W. Herrmann, Agricultural Attaché, American Embassy, Paris. During the past several years a change in price policy with respect to rapeseed and a lowering of the support level resulted in a rapid decline in oilseed acreage and production.

Rapeseed production in 1953 was about 95,000 short tons, or less than 40 percent of the 1952 output. A further decline in production is expected in 1954 as the area planted to winter rape is estimated down about one-fourth from the preceding season. With present domestic output of edible vegetable fluid oils, excluding olive oil, at about 35,000 tons, Metropolitan France's average yearly deficit of edible oils is around 40,000 to 45,000 tons.

According to the report, a substantial saving of foreign hard currency would result from increased supplies of domestic oilseeds. It was further pointed out that the French oilseed crushing industry is now permanently dependent upon domestic oilseeds to ensure regular supplies to its mills. To guarantee adequate supplies, it was concluded that a development of plantings of domestic oilseeds sufficient to ensure a production of at least 90,000 tons of oil would be necessary.

EGYPT INCREASES COTTON EXPORTS

Exports of cotton from Egypt since September 1, 1953, have been 26 percent higher than in a comparable period a year ago, according to A. Abdel Gawad, American Embassy, Cairo. Exports between September 1, 1953 (beginning of Egypt's crop year) and May 26, 1954, reported weekly by the Ministry of Finance and Economy, totaled about 1,153,000 bales (500 pounds gross), compared with 912,000 bales for the similar period of 1952-53.

Official monthly statistics are available only through March 1954, as shown in the table (August-July year) below. Most of the increase in exports during September-May 1953-54 over those of a year ago as shown in the weekly reports, has occurred in the extra long staple varieties, Karnak, and Menoufi. The greatest increase has been to the United Kingdom which is now regaining its place in the market, although India is still the first buyer during the 1953-54 period to date. Exports of Karnak and Menoufi to India, September-May 1953-54 totaled about 155,000 bales compared with 83,000 a year ago. For the United Kingdom the current figure was 55,000 bales compared with 12,000 a year earlier. Exports of all varieties to India this year totaled 184,000 bales compared with 119,000 a year ago, and for the United Kingdom 177,000 as against 39,000. Other increases were in exports to Germany, Switzerland, China, and Japan, with decreased quantities to France, the United States, and the Netherlands.

Heavy exports this year have reduced stocks of raw cotton to a minimum supply for carry-over into the new season. Approximately 769,000 bales were held on May 26, 1954, as against 1,336,000 a year earlier. New crop cotton does not move into local markets until September and into export channels until October. With exports averaging about 135,000 bales monthly during the 10 months ended May 31, 1954, and domestic consumption of about 27,000 bales monthly, it will be seen that the end of May stocks were equal to nearly 5 months' supply at this rate. However, exports in June and July are usually somewhat lower than in the earlier months of the season.

**EGYPT: Cotton exports by countries of destination;
averages 1935-39 and 1945-49; annual 1951 and
1952; August - March 1952-53 and 1953-54**

Country of destination	(Equivalent bales of 500 pounds gross)						
	Year beginning August 1						
	Averages		1951	1952	August-March		
	1935-39	1945-49			1952-53	1953-54	
	1,000	1,000	1,000	1,000	1,000	1,000	
	bales	bales	bales	bales	bales	bales	
Austria.....	1/ 23.7:	2/ 17.0:	9.5:	34.4:	19.4:	15.1	
Belgium-Luxembourg..	17.8:	17.0:	6.8:	21.8:	14.8:	15.6	
Czechoslovakia.....	49.9:	52.5:	36.6:	58.6:	36.3:	31.4	
France.....	238.7:	161.9:	112.6:	291.2:	206.6:	141.5	
Germany.....	147.2:	2/ 69.5:	69.5:	127.6:	107.3:	98.4	
Hungary.....	18.3:	2/ 22.9:	22.9:	26.8:	17.2:	16.8	
Italy.....	105.2:	163.8:	112.7:	170.1:	135.8:	93.7	
Netherlands.....	5.5: 1/ 39.5:	39.5:	10.0:	47.2:	30.7:	18.8	
Poland.....	31.8:	16.2:	8.0:	27.2:	21.0:	3.1	
Rumania.....	3/ 47.7:	2/ 34.9:	34.9:	4.6:	3.1:	7.9	
Spain.....	25.1:	25.4:	62.2:	66.4:	44.5:	30.4	
Sweden.....	12.8:	17.0:	2.0:	17.7:	13.0:	7.5	
Switzerland.....	71.5:	33.4:	28.1:	67.5:	45.6:	55.8	
United Kingdom.....	592.3:	357.5:	68.3:	77.7:	34.8:	165.8	
Yugoslavia.....	2/ 24.2:	2/ 2.0:	2.0:	17.6:	7.1:	10.5	
China.....	24.2:	2/ 16.5:	16.5:	60.9:	31.0:	28.7	
India.....	98.8:	255.8:	110.9:	213.7:	114.7:	162.1	
Japan.....	143.4:	2/ 40.3:	40.3:	84.6:	46.6:	68.8	
United States.....	49.5:	89.1:	92.3:	84.4:	62.6:	47.3	
Soviet Union.....	2/ 1/ 129.4:	129.4:	38.5:	104.2:	52.0:	.0	
Other Countries.....	38.9:	82.4:	23.7:	123.0:	64.2:	63.8	
Total.....	1,742.3:	1,450.9:	908.3:	1,727.2:	1,108.3:	1,083.0	
1/ 3-year average. 2/ Included in "Other countries." 3/ 4-year average.							

Source: Monthly Summary of the Foreign Trade of Egypt and official reports.

The first official estimate of 1954 cotton acreage in Egypt has been reported at 1,639,000 acres, which compares with harvested acreage of 1,375,000 for 1953, an increase of 19 percent. Government interest in increasing revenues by a return to cotton of a large part of the lands diverted to grains in recent years has been reported. Progress of the new crop is most satisfactory with generally favorable weather and adequate control of insects.

Increased prices to be paid by the Egyptian Government to cotton growers for the 1954-55 crop were in Foreign Crops and Markets of March 15, 1954. No change in new-crop prices to growers has since been announced.

Prices at which the Egyptian Government sold cotton during 1953-54 were based on New York futures, by using the near-month futures quotation each day for Middling 15/16 inch and adding 30 percent for Karnak and 5 percent for Ashmouni, with a schedule of premiums and discounts for Egyptian grades. These percentages are being raised to 40 percent and 12.5 percent for 1954-55 cotton. Premiums and discounts are subject to frequent changes and have been raised for the new crop.

Comparison of Government selling prices on May 28 and April 30, 1954 is shown in the following table:

EGYPT: Government selling prices for cotton 1/

Variety	Prices on May 28, 1954			Prices on April 30, 1954		
	Good	: Good to	Fully	Good	: Good to	Fully
		:Fully good:	good		:Fully good:	good
	In tallaris per kantar			In tallaris per kantar		
Karnak.....	73.90	: 78.40	: 82.90	70.45	: 75.45	: 80.45
Menoufi.....	70.90	: 74.90	: 78.90	70.45	: 73.45	: 77.45
Giza 30.....	67.62	: 70.62	: 73.62	65.56	: 69.56	: 72.56
Ashmouni.....	61.62	: 64.62	: 67.62	57.56	: 63.56	: 67.56
	In cents per pound			In cents per pound		
Karnak.....	42.63	: 45.23	: 47.83	40.64	: 43.53	: 46.41
Menoufi.....	40.90	: 43.21	: 45.52	40.64	: 42.37	: 44.68
Giza 30.....	39.01	: 40.74	: 42.47	37.82	: 40.13	: 41.86
Ashmouni.....	35.55	: 37.28	: 39.01	33.21	: 36.67	: 38.98

1/ These are prices paid by exporters and mills and do not include export taxes. Prices quoted by exporters are not subject to control, but are usually somewhat lower (exclusive of export tax) than those shown here due to extra profits derived from Import Entitlement Accounts. (See World Cotton Prices published weekly by the Foreign Agricultural Service.)

EGYPT'S BUMPER WHEAT CROP

REDUCES IMPORT NEEDS

The Egyptian wheat crop is estimated to be the largest since 1912. If production reaches 60 million bushels (1.6 metric tons) as forecast, Egyptian import requirements for the 1954-55 crop year might approximate 550,000 bushels (150,000 tons). A crop of 60 million bushels indicates independence of dollar-area wheat at least for one year, barring obligatory International Wheat Agreement imports. The prospective large crop is mainly attributed to increased yields per acre rather than a larger area seeded.

TRADE DEVELOPMENTS IN FOREIGN COUNTRIES

Swedish Grain Exports --- A Swedish-German trade agreement for the year beginning July 1, 1954, has recently been concluded. Of major importance to Sweden is the fact that Germany has agreed to take some 330,000 tons of Swedish breadgrains during the coming year and has, furthermore, agreed to try to maintain this level of grain imports from Sweden in the future. Sweden has in the last few years had sizable surpluses of agricultural products and Germany has become an important outlet for these exports.

Turkey to Manufacture Farm Machinery with Assistance of U. S. Firm --- A contract was signed on May 29, 1954 establishing the "Minneapolis-Moline Turkish Tractor and Agricultural Machines Society." Turkish public and private interests will participate with the American firm of Minneapolis-Moline in setting up and operating this company. Minneapolis-Moline will exercise managerial control. The new firm is capitalized at 20 million liras (\$7.1 million). Plans call for gradual annual increases in production up to 5,000 tractors by the end of the fourth year. Mechanized farm equipment will also be produced. If the plans materialize, Turkey's position as an exporter of wheat and cotton will be improved since the program would speed up the mechanization of Turkey's farms; moreover, Turkey's reduced need for imports of farm equipment will strengthen its foreign exchange position.

India Further Liberalizes Imports --- The Government of India, on June 29, announced a further liberalized import policy for July-December 1954. Unrestricted imports of foreign cotton will be permitted and quotas were raised on about 60 other items, mostly manufactured goods not produced in India and including farm machinery. Press reports state that the import budget for the latter half of 1954 totals \$521 million compared with \$467 million for the January-June period.

Colombian Suggests Increased Private Investment to Improve Trade with U.S. --- The Manager of the Corporation for the Defense of Agricultural Products has written a letter setting forth his personal ideas as to how trade in agricultural products between Colombia and the United States can be increased. This letter, written as an aftermath of conversations between members of the Latin American Agricultural Trade Mission and Colombian businessmen, lists several commodities that Colombia must import - grains, fruits and vegetables, meats, fats and oils and cacao. It suggests that Colombia could earn the dollars with which to buy these commodities if United States private capital could be induced to invest in Colombian enterprises. Suggested fields for investment are irrigation and drainage, grain storage, manufacture of agricultural machinery, fertilizer and agricultural chemicals. The letter also suggests that the United States could improve Colombia's dollar position by liberalizing conditions of sale of United States equipment that is to be used in the production, storage or marketing of Colombian farm products and by stepping up its technical assistance programs.